

Can a Trade Secret Go Platinum? Wu-Tang LP Might Be Trade Secret IP.

[PleasrDAO v. Shkreli, No. 24-CV-04126 \(E.D.N.Y. Sept. 25, 2025\)](#)

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Last week, the Eastern District of New York (“Court”) refused to dismiss PleasrDAO’s trade secret claims against Martin Shkreli, finding that Wu-Tang Clan’s exclusive, unreleased album, *Once Upon a Time in Shaolin* (“Album”), could plausibly qualify as a trade secret. The only official physical copy of the Album (which is not available to download or stream) was sold to Shkreli for \$2 million in 2015. However, due to Shkreli’s legal troubles, the Album was seized by the government and ultimately sold to PleasrDAO, a group that sells NFTs after linking them to culturally significant works of art, for \$4 million in 2021. Unbeknownst to PleasrDAO, Shkreli allegedly retained copies of the Album and played it on several occasions for his social media followers in alleged violation of the terms of Shkreli’s purchase agreement and forfeiture. Accordingly, PleasrDAO brought a claim for misappropriation of trade secrets.



The Court considered several factors that would suggest that the Album might not be considered a trade secret. For example, the Court acknowledged that a music album does not fit into traditional categories of trade secrets, which typically involve business information, customer lists, formulas, or data. Additionally, the Court mused over the purpose of commercial music, because the value of an album is “only realized by sharing the Album’s contents with others,” while a trade secret must have economic value based on its secrecy. Finally, the Court acknowledged that previous courts found unreleased songs, including unreleased Prince and Janet Jackson songs, were not trade secrets because there was no independent economic value from keeping the recordings secret.

However, the Court also acknowledged several of the allegations in the Complaint that demonstrated that the Album could qualify as a trade secret. For example, PleasrDAO alleged that the value of the Album derived precisely from its secrecy and exclusivity. Wu-Tang crafted the album as a one-of-a-kind protest against music’s digital devaluation, with strict contracts preventing duplication or distribution. PleasrDAO further alleged extensive security measures, including armed guards, controlled access, and surveillance, underscoring its intent to preserve secrecy. Finally, the Court noted that PleasrDAO’s “business model is unique” because it seeks to create “an experience” rather than from a “public commercial release or from traditional forms of music distribution.” On those facts, the Court found that the album plausibly held “independent economic value” from remaining secret.

This finding suggests a possible expansion of secret trade law. While previous courts have categorically found that unreleased music tracks were not considered trade secrets at the pleadings stage, this Court found that on the unique facts pleaded in the complaint, the Album could plausibly be considered a trade secret. The distinguishing factor could be as simple as pleading a “unique” NFT business model. The distinguishing factor could also be as simple as the fact that the Album is perhaps the most exclusive (and most expensive) album of all time. Whatever the case may be, the Court may ultimately need to decide whether prior public exhibitions, partial ownership sales, and the promise to accelerate the album’s public release based on sales still allow the album to qualify as a trade secret.